

BCC Mtg. Date: May 7, 2019

Your Practical Guide to County FinSnces

Orange County, Florida

Citizens Annual Financial Report

For the Year Ended September 30, 2018



*Phil Diamond, CPA
Orange County Comptroller*

www.occompt.com

Orange County, Florida



Board of County Commissioners

Jerry L. Demings, County Mayor

Betsy VanderLey , Vice Mayor	District 1
Christine Moore	District 2
Mayra Uribe	District 3
Maribel Gomez Cordero	District 4
Emily Bonilla	District 5
Victoria P. Siplin	District 6

Elected Constitutional Officers

Tiffany Moore Russell	Clerk of the Circuit and County Courts
Phil Diamond, CPA	County Comptroller
Rick Singh	Property Appraiser
John W. Mina	Sheriff
Bill Cowles	Supervisor of Elections
Scott Randolph	Tax Collector



OFFICE OF THE COMPTROLLER
ORANGE COUNTY FLORIDA



Dear Residents:

Our office's priority is to provide you with easily accessible information about how your tax dollars are managed and spent. One way we do that is through this document.

The Orange County Board of County Commissioners adopts a budget every year determining how much money it will raise and, prioritizing how those funds will be spent. The budget year (or 'fiscal year') begins on October 1st and ends on September 30th. So, this report covers the fiscal year that ended on September 30, 2018.

This document provides valuable information about Orange County finances, demographics and economic data. In short, information about your community.

To ensure that this document is easily accessible to you, it is available online with our other financial reports at www.occompt.com. The source for much of the information in this report is the Orange County Comprehensive Annual Financial Report (CAFR) that we prepared for the fiscal year ending September 30, 2018. The CAFR is an audited document and, was prepared in accordance with Generally Accepted Accounting Principles (GAAP). You can also access that document at www.occompt.com

In addition to reviewing financial documents on our website, you can also search over 22 million Orange County Official Records, sign up for Property Fraud Alert, participate in tax deed auctions, request a speaker for your organization, review our audit reports, obtain information about surplus property auctions, link to our social media like Facebook, search Orange County Commission board minutes and, much more. So, visit occompt.com and sign up to follow us on social media like Facebook and Twitter.

On behalf of the dedicated professionals that work in this office, it is a privilege to serve you.

Phil Diamond, CPA
County Comptroller

201 South Rosalind Avenue • Post Office Box 38 • Orlando, FL 32802
Telephone: (407) 836-5690 • Fax: (407) 836-5599 • www.occompt.com

Citizens Annual Financial Report

for the year ended September 30, 2018

3-4

GOVERNMENT IN YOUR COUNTY

The basic structure of Orange County government in an easy to read format • County Government and Commission Districts

5-7

OPERATIONAL REVIEW

Major initiatives • Summarized operating statement • Business-type activities • County budget process • Financial results for the year explained

8-11

REVENUES

Descriptions of all major County revenues • County tax rates and service fees applied to a typical residential home

12-15

EXPENDITURES

Descriptions of all major County expenditures • Breakdown of resources used for current operations and capital outlays • Average costs for a cross-section of County services.

16

CASH AND INVESTMENTS

County's investment policy • Year-end balances of different cash and investment types.

17-19

CAPITAL ASSETS AND DEBT

Capital assets • Outstanding debt • Debt per capita

20-24

COUNTY DEMOGRAPHICS AND TREND INDICATORS

Five-year economic, demographic, and County financial trends • Top Ten Taxpayers • Top Ten Employers

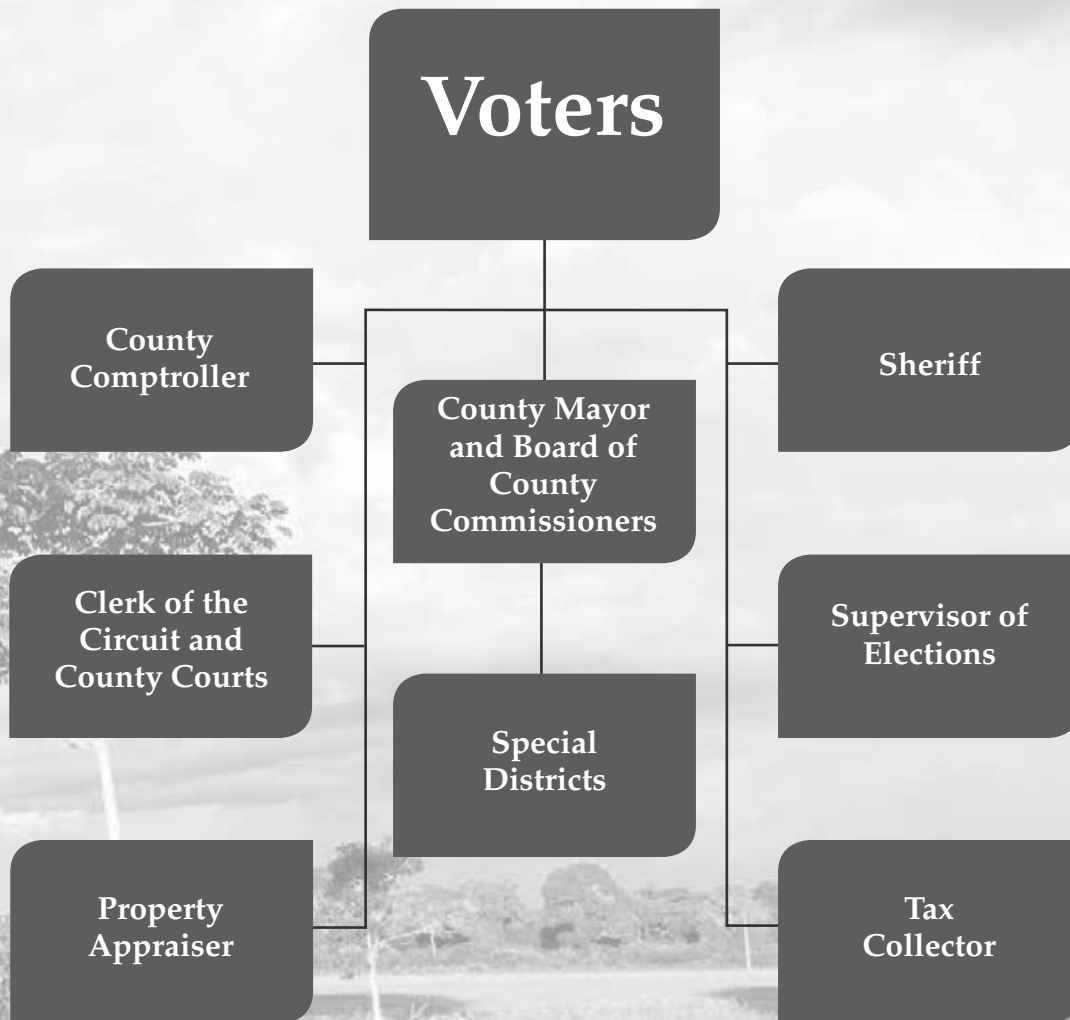
25

CONTACT INFORMATION FOR ELECTED COUNTY OFFICIALS

Contact information for the Board of County Commissioners and Constitutional Officers.

This publication was designed and printed by the Orange County Graphics Department

Government in Your County



Government in Your County



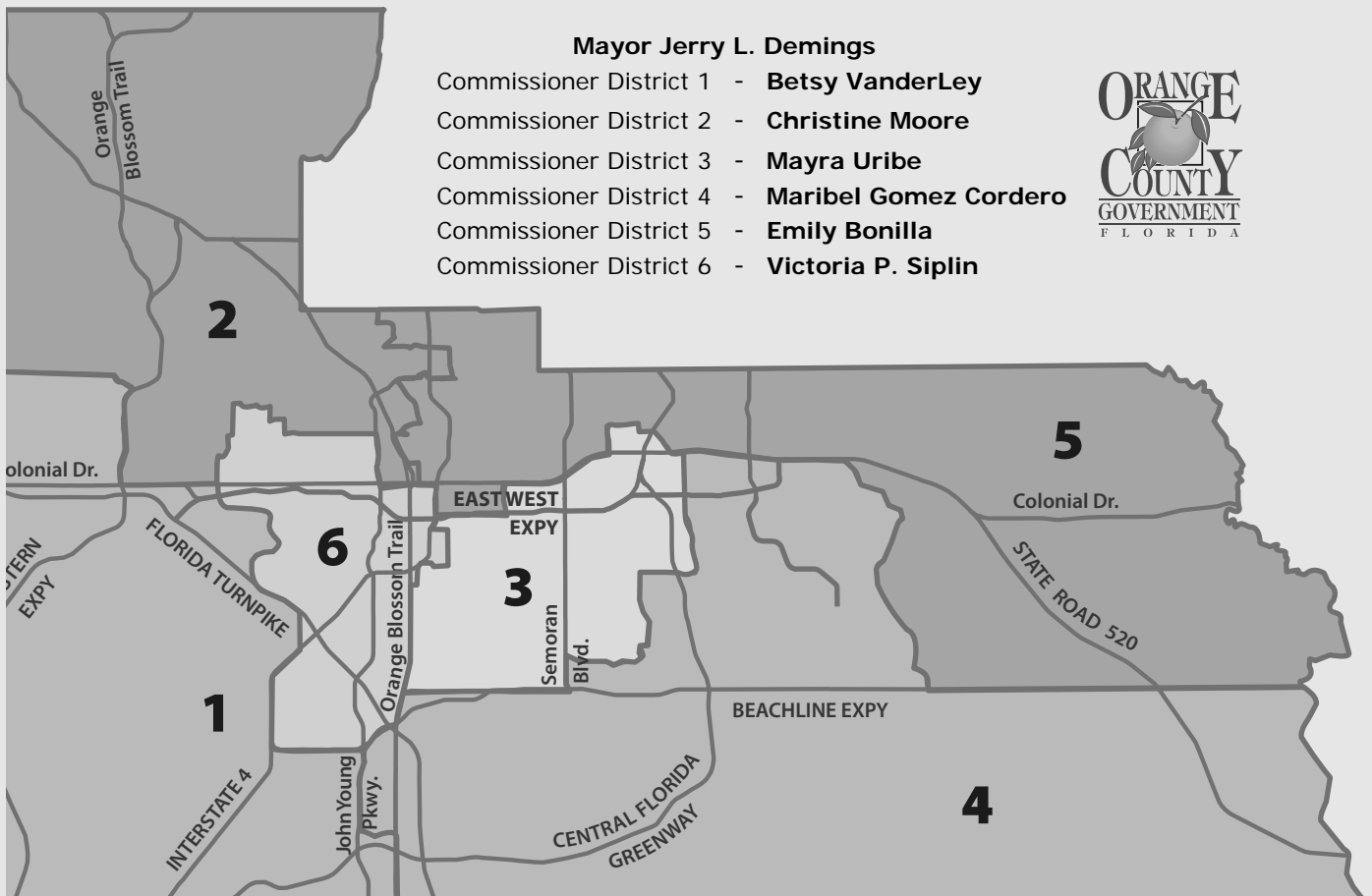
County Government

Orange County operates under a charter enacted by the voters in 1987 and most recently amended in November 2016. The legislative body is the seven-member Board of County Commissioners, made up of the County Mayor, elected county-wide, and six district Commissioners, each elected from their respective districts. The Mayor also serves as the chief administrative officer for the operations under the Board. Certain districts also fall under the Board's jurisdiction.

Six constitutional officers, who are separately elected on a county-wide basis, perform specifically designated governmental functions. These officers and the Board members as well are listed at the beginning of this report and included in the organizational chart found on the previous page. These elected officials serve four year terms.

Commission districts were most recently revised in November 2011 – effective beginning with the 2012 elections. The map below displays current districts.

Orange County, Florida Commissioner Districts



Operational Review

Major Initiatives

The County was involved in a number of major initiatives during the 2018 fiscal year. With economic indicators continuing to highlight positive economic gains, the County recognized the importance of adequate infrastructure to our quality of life and to the area's economic vitality.

- ▶ Renovations were completed on 30 fire stations and facilities. A new Fire Station prototype is currently being developed, and once finalized, construction will begin on three new stations located throughout the County.
- ▶ Design and construction was underway to widen or extend Avalon Road, All American Boulevard, Econlockhatchee Trail, Holden Avenue, International Drive, John Young Parkway, Taft Vineland Road, and Texas Avenue. Additionally, two intersection improvements, three drainage improvements, and three stormwater management projects were completed during Fiscal Year 2018. Also, 327 miles of roads were either paved or resurfaced.
- ▶ Completed the Lakeside Neighborhood Park, Deputy Jonathan Scott Pine Community Park, the Warren Park Canoe Kayak Launch, and Phase I of the Pine Hills Trail projects.
- ▶ Affordable housing projects included the acquisition of land to build new affordable units through Habitat for Humanity, funding for the construction of 438 new affordable rental units, renovations to 130 affordable rental units at Winter Park Oaks, and renovations to 72 single family units owned by low income homeowners.



Operating Results

For the year ended September 30, 2018

REVENUES	Amount (Millions)	Percent
Taxes	\$1,171	50 %
Charges for Services	683	29
Intergovernmental	347	15
Miscellaneous	87	4
Interest Income	23	1
Proceeds from Borrowing	19	1
Total Revenues	\$2,330	100 %
Balance, Beginning of Year	1,539	
Total Revenues Available	\$3,869	
EXPENDITURES		
Law Enforcement & Judicial System	\$494	23 %
Community Services	370	18
Utilities System	331	16
Transportation	216	10
Fire Rescue	208	10
Convention Center & Tourism	195	9
General Government	176	8
Debt Payments	122	6
Total Expenditures	\$2,112	100 %
Balance, End of Year	\$1,757	
BALANCE DESIGNATIONS	Beginning	Ending
Reserved for Capital Outlays	\$601	\$693
Operational Requirements*	754	873
Reserved for Debt Payments*	184	191
Total Balances	\$1,539	\$1,757

*Amounts shown have been changed from that previously presented

Operational Review

The County's business-type activities include the Convention Center and a utilities system that provides water, wastewater, garbage collection, and landfill/recycling services. Below is a summary of this year's activity.

- ▶ The Convention Center completed the North-South Building Parking Lot Paving, Water Service, and Show Power project. The Center's current capital improvement plan totals \$248.2 million over the next five fiscal years, primarily for renovations to the existing facility.
- ▶ The Utilities System began water distribution system modifications on the Western Regional Water Supply Facility Phase 3B, which are expected to be complete in early 2019. Water distribution modifications continued with improvements to the Eastern Regional Water Supply Facility and Malcom Road Water Supply Facility with completion on both expected by summer of 2020.
- ▶ Wastewater treatment improvements continued on the installation of a force main along Lee Vista Boulevard to Conway Road. In addition, construction continued on the expansion of the Eastern Water Reclamation Facility Phase 5 and Biosolids Facility and is expected to be completed in the spring of 2019.
- ▶ The Solid Waste System began design on the expansion of the Landfill Gas collection and access road to accommodate plans for a full build-out of Cell 2. Replacement of the McLeod Road Transfer Station continues with a new station that will be more efficient to operate.



Budget Approval Process

The County's budget is enacted annually each fiscal year. It sets operational and capital project spending priorities.

- ▶ The Mayor prepares the budget proposal.
- ▶ The Board and the Mayor then review the proposed budget in public work sessions during the summer. Changes are made as decided by a majority of the Board.
- ▶ The agreed upon budget proposal is then formally presented to the citizens at two public hearings in September, where any final adjustments may be made. These hearings are also used to set annual property tax rates. Individual budgets for the elected constitutional officers are prepared by each respective officer and approved by the Board
- ▶ All budgets must be balanced. All expenditures must be backed by identified funding sources. On September 30th of each year, all unspent budget amounts expire and remaining funds become available as a funding source for the County in the next fiscal year.

Financial Information

The financial information presented in this report includes the operations of the Board of County Commissioners, the six elected constitutional officers, and other related agencies managed by the Board.

- ▶ The County began Fiscal Year 2018 with \$1.54 billion in available funds, of which 51% was restricted for capital projects or was being held as reserves related to past borrowing.
- ▶ Funds received during the year totaled \$2.33 billion. After \$2.11 billion in operational costs and capital project outlays, the County finished the year with \$1.76 billion on hand.
- ▶ About 50% of those funds were earmarked for capital projects and debt-related reserves, leaving the remaining 50% or \$873 million available to fund County operations at the start of the 2019 fiscal year in October 2018.
- ▶ Some of the remaining operational funds were used to fund operations until annual property tax collections began in late November 2018, and some were set aside as reserves for unexpected events or emergencies.
- ▶ The ending balance designations reflect the continued conservation of funds for operational reserves as a hedge against a weakened economy or other contingencies.

The County uses a well-defined program for the investment of funds. High-risk investments are avoided, and investments are available as needed for payment of obligations. As a result, investment income of \$23 million (\$32 million of interest earned less \$9 million market value adjustment) was earned during the fiscal year across all funds of the County.

Other Governmental Units

Other legally separate units are related to but not financially dependent on the County. As such, they are not included in this report.

These units publish their own annual financial reports. Six are special districts created by State law or by County ordinance or resolution. One is a not-for-profit corporation established jointly by the County and the City of Orlando. The Board of County Commissioners either appoints or serves as a majority of these units' board members; however, it doesn't fund their annual budgets or actively oversee their operations. These related units are:

- ▶ Orange County Library District
- ▶ Orange County Housing Finance Authority
- ▶ International Drive Master Transit and Improvement District
- ▶ Orange County Industrial Development Authority
- ▶ Orange County Health Facilities Authority
- ▶ Orange County Educational Facilities Authority
- ▶ Orange Blossom Trail Development Board, Inc.

There are many other specialized governmental units in the Central Florida area, some even include "Orange County" in their titles. However, they operate independently from the County and are not financially related despite their names. Some better-known units not included in this report are:

- ▶ Orange County Public Schools (School Board)
- ▶ Central Florida Expressway Authority
- ▶ Central Florida Regional Transportation Authority ("Lynx")
- ▶ Greater Orlando Aviation Authority
- ▶ Orange Soil and Water Conservation District
- ▶ Sunrail

Revenues

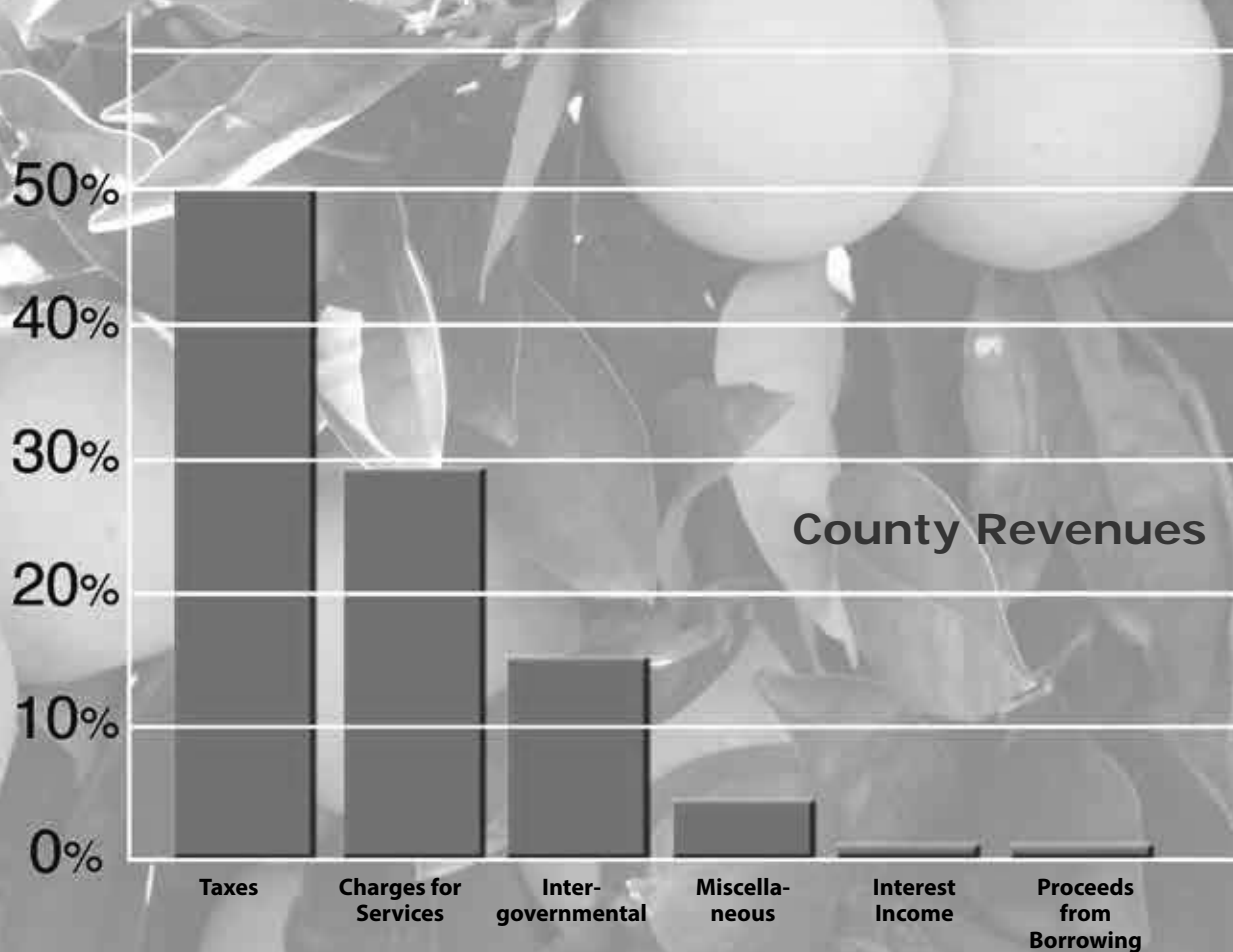
Orange County receives funds from a variety of sources.

The Board of County Commissioners levies four primary taxes as well as other lesser taxes and fees. The primary levies are property taxes, the tourist development tax, public service and communications taxes, and a local option gas tax. The Board also sets user charges for specific services, like water, wastewater, garbage collection, and landfill service charge rates for the Utilities System operations. Next, the County receives operating funds shared by the State, including the one-half cent State sales tax portion that is allocated to counties. It also receives Federal and State grants. Many other types of revenue come into the County, including court fees, local business taxes, building permit fees, and Convention Center operating funds. Finally, interest income is received throughout the year, as funds

are invested until needed to pay budgeted obligations.

Current revenues from all of the above sources are combined with funds left over from the previous fiscal year, including any remaining cash proceeds from prior County borrowing. This makes up the total resources available to fund budgeted expenditures. Some revenue sources can only be used for specific purposes. Other sources can be used for a variety of public purposes.

The following page provides a brief description of the County's key revenue sources. These sources, when combined with interest income and funds borrowed for capital projects, account for 84% of the current sources of funds received during the fiscal year.



Primary Taxes Levied by the Board of County Commissioners



Property Tax – An annual tax is levied on land, buildings, and business equipment. Multiple levies are made for various purposes. A county-wide levy is made to cover county-wide operations and some capital projects. Other levies are made in the unincorporated areas (i.e., outside limits of cities in the County) or parts thereof for specified purposes such as Sheriff services and fire/emergency medical services.



Tourist Development Tax - A six percent tax is levied on all short-term living quarters such as hotels, motels, apartments, and campgrounds. Under State law, tax proceeds are generally

restricted to the Convention Center, tourism promotion, auditoriums, museums, and certain types of sports facilities. The first five percent is used for tourism promotion, cultural and sports facilities, and for operations and debt repayment for the Convention Center. The sixth percent is earmarked for tourism promotion and for a portion of debt repayment for the City of Orlando’s Amway Center.



Public Service/Communications Taxes – The Board levies a tax of 10% on the use of electric, water, and gas/propane utilities and four cents per gallon on the use of fuel oil in the unincorporated area.

Communications services are taxed on a statewide basis, which includes a 4.98% local component approved by the Board. These tax proceeds are used for various purposes including environmentally sensitive land acquisition, parks, Sheriff services, transportation, and for annual payments on County debt incurred for major capital projects.



Local Option Gas Tax - A tax of six cents per gallon is levied on motor fuel sold in the County. Tax proceeds are shared by the County and cities for construction and maintenance of roads.

Revenues For the year ended September 30, 2018

Category	Amount (Millions)	Percent of Total Sources
TAXES		
Property	\$766	33%
Tourist Development	277	12
Public Service	76	3
Local Option Gas	30	1
Communications	19	1
Other	3	-
TOTAL TAXES	\$1,171	50%
CHARGES FOR SERVICES		
Water & Wastewater	\$192	8%
Impact Fees	156	7
Garbage Collection & Landfill	82	3
Convention Center	76	3
Court Fees	35	2
Other	142	6
TOTAL CHARGES FOR SERVICES	\$683	29%
INTERGOVERNMENTAL		
State Sales Tax	\$190	8%
Federal & State Grants	86	4
State Revenue Sharing	44	2
State Gas Taxes	19	1
Other	8	-
TOTAL INTERGOVERNMENTAL	\$347	15%
MISCELLANEOUS		
Licenses & Permits	\$30	1%
Fines & Forfeitures	17	1
Other	40	2
TOTAL MISCELLANEOUS	\$87	4%
INTEREST INCOME	\$23*	1%
PROCEEDS FROM BORROWING	\$19	1%
TOTAL REVENUES	\$2,330	100 %

* \$32 million of interest earned less \$9 million market value adjustment

Revenues

Primary Service Fees Charged by the Board of County Commissioners



Utilities System - Service fees are established for use of the County water and wastewater utility system. Also, fees are charged for garbage disposal at the County landfill, mandatory garbage collection services in the unincorporated areas, and stormwater management.



Impact Fees - Fees are charged on new development to help pay for its impact on transportation, water and wastewater, parks and recreation, schools, fire, and law enforcement services. School impact fee collections are forwarded to the Orange County School Board.

Primary Funds Received from Other Governments (“Intergovernmental” Revenue)



State Sales Tax - A portion of Florida Sales Tax is returned to counties for operational purposes. This source is used for transportation and other county-wide operations, and for annual payments on County debt incurred for major capital projects.



State Revenue Sharing - Certain State revenues are shared with counties for operational purposes. This source is used for county-wide operations and for annual payments on County debt incurred for major capital projects.



Federal and State Grants - The Federal and State governments award grants to the County for a variety of specific purposes and programs such as criminal justice, homeland security, social services, transportation and environmental protection.

Rates for Selected Revenues

For the year ended September 30, 2018

PROPERTY TAXES AND OTHER TAX LEVIES

Tax or Fee Item	Rate	Average Residential Cost		How Paid	Where Paid
		per Month	per Year		
Property Taxes designated for:					
- General County Services	4.04 mills	\$50.50	\$606.00	Prop Tax Bill	County-wide
- County Capital Projects	0.22 mills	2.75	33.00	Prop Tax Bill	County-wide
- Parks Operations & Improvements	0.17 mills	2.13	25.50	Prop Tax Bill	County-wide
- Fire Rescue	2.24 mills	28.00	336.00	Prop Tax Bill	Unincorporated
- Law Enforcement (38% of funding)	1.81 mills	22.63	271.50	Prop Tax Bill	Unincorporated
Public Service Taxes:					
- Electric Service	10%	8.85	106.20	Utility Bill	Unincorporated
- Water Service	10%	2.02	24.24	Utility Bill	Unincorporated
- Communications Services Tax ⁽¹⁾	4.98%	8.12	97.44	Phone/Cable Bill	Unincorporated
Gas Taxes:					
- Local Option Gas Tax	6 cents/gal	3.12	37.44	Gas Sales	County-wide
- State Imposed Gas Tax ⁽²⁾	3 cents/gal	1.56	18.72	Gas Sales	County-wide
Half-Cent State Sales Tax ⁽²⁾	0.5%	10.00	120.00	Taxable Sales	County-wide

CHARGES FOR SELECTED COUNTY SERVICES

Water and Wastewater Utility:					
- Water Service	Consump	22.09	265.08	Utility Bill	Unincorporated
- Wastewater Service	Consump	56.17	674.04	Utility Bill	Unincorporated
Garbage, Trash & Recycling Service	Flat per unit	18.33	220.00	Prop Tax Bill	Unincorporated
Retention Pond Maintenance Service	Flat per lot	6.50	78.00	Prop Tax Bill	Unincorporated
Streetlighting Service	Flat per lot	4.62	55.46	Prop Tax Bill	Unincorporated
Total Tax Levies and Service Charges		\$247.39	\$2,968.62		

Notes:

Excludes taxes and fees levied by the School Board, city governments, and other special districts.

- Property taxes based on a home assessed at \$200,000 with \$50,000 homestead exemption. One mill equals one dollar of tax for each \$1,000 of assessed value.
- Public Service taxes based on monthly use of 1,000 kilowatts for electricity and 10,000 gallons for water. Natural/bottle gas and fuel oil also subject to tax. Communications Services Tax based on one home phone, two shared cell phones, and one cable TV/DVR box.
- Gas taxes based on 1,300 miles driven per month with fuel economy of 25 miles per gallon. State imposed gas tax is the portion remitted back to counties.
- Sales tax is the portion remitted back to counties based on \$2,000 of monthly purchases.
- Water and wastewater service based on monthly usage of 10,000 gallons.

⁽¹⁾ Local portion collected by the State and returned to the County. Replaces former County levies on telecommunications and cable TV.

⁽²⁾ Collected by the State and returned to the County as Intergovernmental revenue.

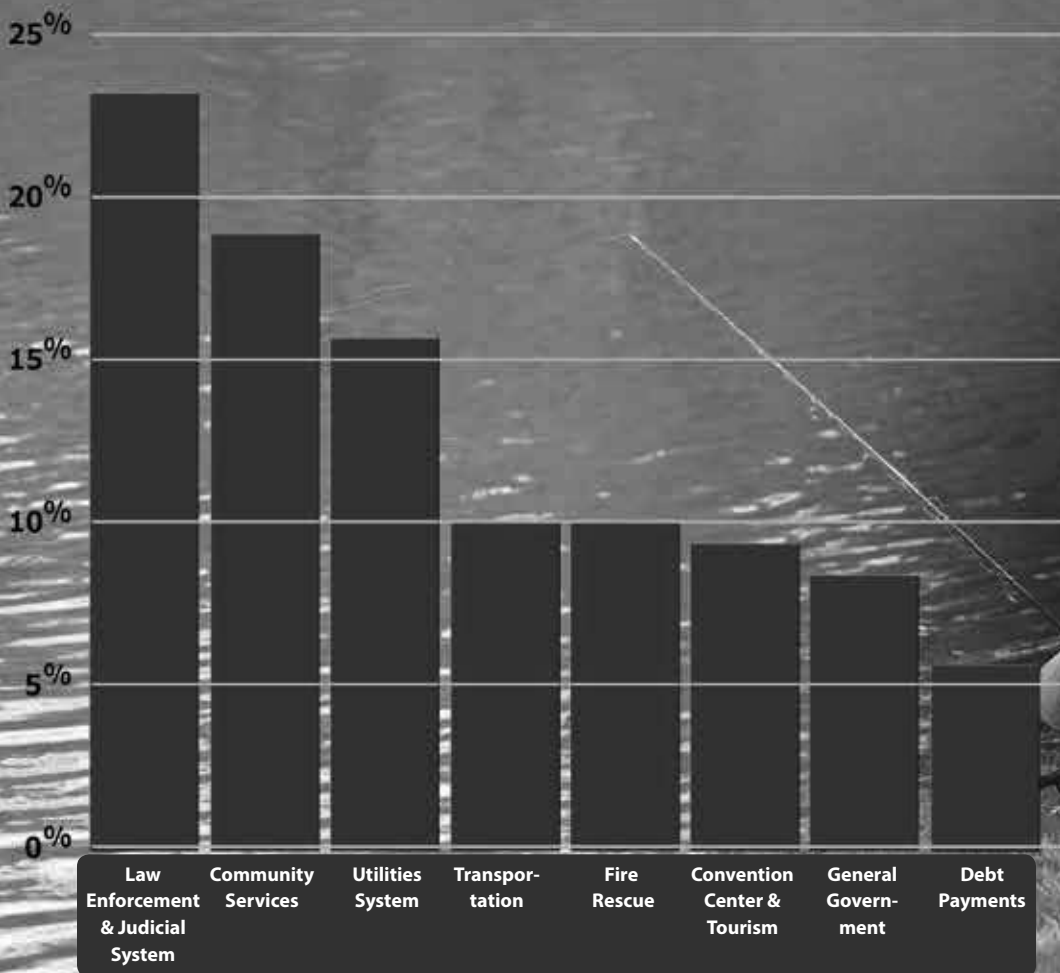
Expenditures

Orange County provides a wide variety of services to its citizens.

Some services are provided county-wide, while other additional services are provided specifically to citizens residing in the unincorporated areas outside the corporate limits of any cities.

Annual operational expenses are paid with the current revenues that come in during the year and with funds left over from the previous fiscal year.

Major capital projects are usually funded by proceeds from borrowing, but also may be funded by prior fiscal year funds on hand and certain current revenues earmarked for project purposes such as gas taxes, impact fees, and a portion of property and public service taxes.



The major categories of County services are:

Law Enforcement and Judicial System – This includes all services connected with the enforcement of civil and criminal laws in the community. Services include the Sheriff’s Office, County jail system, the Clerk of the Circuit and County Courts Office (“Clerk”), court administration and reporting, and partial funding for the State Attorney and Public Defender. Since July 1, 2004, as a result of a State constitutional amendment, the Clerk’s court operations have been funded by State appropriations.

Community Services – This covers a wide range of services that preserve and enhance citizens’ quality of life. Key services provided are health and social services, veterans’ services, children’s programs, animal services, cultural services, parks and recreation, building/planning/zoning and environmental regulation, and housing assistance.

Utilities System – The Utilities System provides services relating to management of water resources and for the proper disposal or recycling of garbage. Specific services include water supply, wastewater treatment/reclamation, stormwater management, recycling programs, garbage collection, and the County landfill operation.

Transportation – Services provided for transportation include county-wide road and transit systems. Key activities include road and sidewalk construction and maintenance, streetlights, and partial funding for the Lynx bus system.

Fire Rescue – The provision of public safety services for fire and health emergencies in the County’s unincorporated areas, as well as disaster planning and response, are included here. Services cover fire suppression and prevention, emergency medical services, and natural disaster planning and recovery.

Convention Center and Tourism – This covers services related mainly to the tourism and convention industry that is a highly visible element of the County’s economy. Services include the Orange County Convention Center operations and ongoing capital improvements, major funding for the Convention and Visitors Bureau (known as “Visit Orlando”), support for cultural and sporting events related to tourism, and capital funding assistance for community facilities that serve tourism and local residents such as the Amway Center and the Dr. Phillips Center for the Performing Arts.

General Government – This provides for various administrative and support services vital to the County’s efficient operation. Key services are the Mayor’s, Commissioners’ and County Administrator’s offices, the operations of the Comptroller, Supervisor of Elections, Property Appraiser and Tax Collector, the legal, personnel, purchasing and budgeting functions, and county-wide support services such as facilities maintenance, computer systems, internal mail, security, and radio and telephone services.

Debt Payments – This includes the annual installment payments necessary to repay funds the County has borrowed in the past to acquire property, construct major county facilities, or make major equipment purchases. The debt section provides further information on this subject.

Expenditures

Expenditures

For the year ended September 30, 2018

Category	Cost of Operations (Millions)	Capital Outlays (Millions)	Total Uses (Millions)	Percent of Total Uses
LAW ENFORCEMENT & JUDICIAL SYSTEM				
Law Enforcement	\$247	\$14	\$261	12%
Corrections	166	1	167	8
Courts	65	1	66	3
TOTAL LAW ENFORCEMENT & JUDICIAL SYSTEM	\$478	\$16	\$494	23%
COMMUNITY SERVICES				
Health & Social Services	\$201	\$1	\$202	10%
Environmental & Growth Management	75	4	79	4
Culture & Recreation	37	9	46	2
Community Development	35	3	38	2
Other Community Services	5	-	5	-
TOTAL COMMUNITY SERVICES	\$353	\$17	\$370	18%
UTILITIES SYSTEM				
Water & Wastewater	\$139	\$93	\$232	11%
Refuse Disposal & Recycling	68	11	79	4
Stormwater Management	13	7	20	1
TOTAL UTILITIES SERVICES	\$220	\$111	\$331	16%
TRANSPORTATION				
Road Systems	\$124	\$40	\$164	8%
Transit Systems	52	-	52	2
TOTAL TRANSPORTATION	\$176	\$40	\$216	10%
FIRE RESCUE	\$196	\$12	\$208	10%
CONVENTION CENTER & TOURISM	\$167	\$28	\$195	9%
GENERAL GOVERNMENT				
Legislative/Administrative/Financial	\$126	\$4	\$130	6%
Maintenance Services	26	3	29	1
Communications/Security	15	2	17	1
TOTAL GENERAL GOVERNMENT	\$167	\$9	\$176	8%
DEBT PAYMENTS	\$122	\$-	\$122	6%
TOTAL EXPENDITURES	\$1,879	\$233	\$2,112	100%

Costs of Selected Services by Function

LAW ENFORCEMENT & JUDICIAL SYSTEM	
Law Enforcement: ⁽¹⁾	
Average cost per call dispatched	\$163
Average personnel cost per deputy per year	\$94,633
Average personnel cost per call	\$133
Corrections - Orange County Jail:	
Cost per inmate per day	\$151
Cost per inmate per year	\$55,115
COMMUNITY SERVICES	
Head Start cost per child per year	\$9,141
Parks and Recreation operating and maintenance cost per acre	\$15,867
Permitting and inspections:	
Cost per development plan review	\$358
UTILITIES SYSTEM	
Water Production cost per 100,000 gallons of water produced	\$67
Water Distribution operating and maintenance cost per mile of water main	\$4,273
Wastewater Collection operating and maintenance cost per mile of sewer main	\$14,733
Wastewater Treatment operating and maintenance cost per 100,000 gallons of wastewater treated	\$148
Solid Waste cost per ton processed	\$22
TRANSPORTATION	
Traffic Engineering: ⁽²⁾	
Cost per lane mile maintained per year	\$21,400
Cost per lane mile constructed	\$3,043,078
FIRE RESCUE ⁽³⁾	
Average dispatch cost per call	\$33
Average personnel cost per firefighter per year	\$88,795
Average personnel and operating cost per on-scene emergency unit	\$541
CONVENTION CENTER & TOURISM	
Operating expense per delegate	\$59
GENERAL GOVERNMENT	
Risk Management average cost per claim:	
Workers compensation	\$4,832
Property loss claims	\$5,804
Auto liability/physical damage	\$2,733
General liability	\$1,533

Sources:

Office of Management and Budget, Performance Based Report, Fiscal Year 2017-18

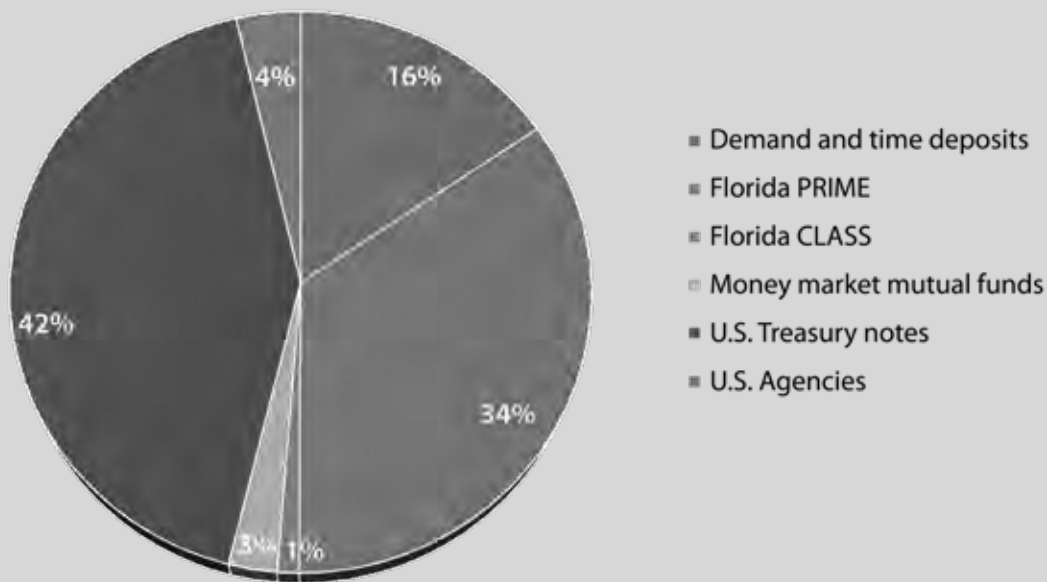
- (1) County Sheriff, based on 2018 budgeted amounts
- (2) County Public Works Department
- (3) County Fire Rescue Department

Cash And Investments

Investment Policy

Section 218.415, Florida Statutes provides Orange County with the ability to conduct investment activity consistent with a written plan adopted by its local governing body. Orange County's Investment Policy is adopted by the Board of County Commissioners, and is administered by the Orange County Comptroller's Finance and Accounting Department. This Policy, along with the separate investment policies of the constitutional officers, details authorized investment types and portfolio composition guidelines, in order to achieve the primary objectives of the County's investment activities which, in priority order, are: *Safety, Liquidity and Yield.*

ORANGE COUNTY INVESTMENT PORTFOLIO
AS OF SEPTEMBER 30, 2018



Issuer	Amount	% of Portfolio
Demand and time deposits	\$ 319,341,147	16%
Florida PRIME	708,197,238	34
Florida CLASS	24,000,000	1
Money market mutual funds	53,520,398	3
U.S. Treasury notes	870,721,117	42
U.S. Agencies	75,896,660	4
Total	\$ 2,051,676,560	100%

Note: Includes the Investment Portfolios for the Board of County Commissioners and all Constitutional Officers

Capital Assets and Debt

Orange County's investment in capital assets as of September 30, 2018, amounts to \$6.6 billion (net of accumulated depreciation). This investment in capital assets includes land, buildings and systems, infrastructure, machinery and equipment, and intangible items. The overall net increase in the County's capital assets for the current fiscal year was 1.4% over last year. Major capital asset events in the current year included the following:

- Approximately 11 road widening and extension projects were continued or completed at a combined cost of \$26.1 million during the fiscal year.
- Capital assets valued at \$136.7 million were received as capital contributions - \$97.0 million for governmental activities and \$39.7 million for business-type activities.
- At fiscal year-end, the County had outstanding construction contracts for various projects totaling approximately \$182.0 million.

Orange County maintains a five-year Capital Improvement Program. During the budget process, the County determines the amount of funding available for capital projects. Proposed projects are prioritized and available funds are allocated accordingly.



Capital Assets and Debt

While the County is able to balance its budget each year for operating expenses, it does go into debt for the acquisition of most major facilities and equipment. This is done to extend the payment for such things over their useful lives; much like a citizen does with a home mortgage or car loan. By doing this, the burden for paying for these facilities and equipment is spread out to all of the future taxpayers who will benefit, rather than only those present at the time of construction or acquisition.

As of September 30, 2018, outstanding County debt was \$1.36 billion. Total debt outstanding decreased by approximately \$34 million during the 2018 Fiscal Year. This decrease is the net result of scheduled principal payments from previously issued debt, and additional borrowing on the Water Utilities State Revolving Loans. The County issued no new bonds in Fiscal Year 2018.

LONG-TERM OUTSTANDING DEBT

	FY 2017	FY 2018	INCREASE / (DECREASE)
Tourist Development Tax Bonds	\$ 937,863,909	\$ 910,708,535	(\$ 27,155,374)
Sales Tax Bonds	229,014,308	214,188,437	(14,825,871)
Water Utilities Bonds	93,158,794	92,140,649	(1,018,145)
Water Utilities State Revolving Loans	76,391,573	94,300,419	17,908,846
Special Revenue Debt	54,271,257	45,169,177	(9,102,080)
	\$ 1,390,699,841	\$ 1,356,507,217	(\$ 34,192,624)

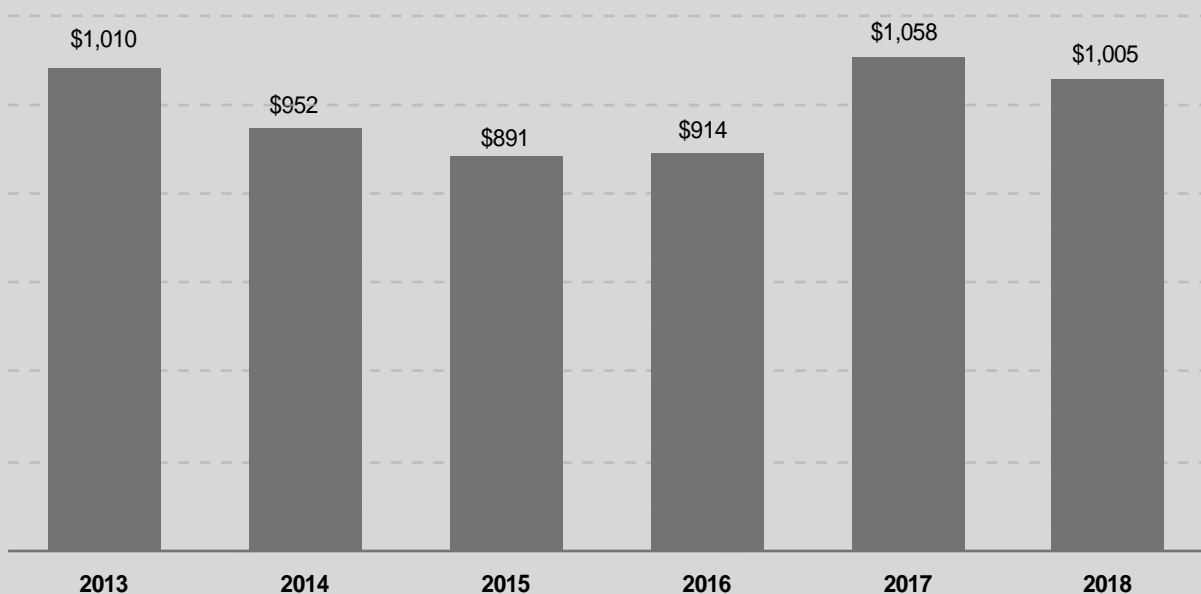
Capital Assets and Debt

State law prohibits the County from pledging facilities or equipment as collateral for debt.

Instead, the County pledges certain sources of revenue to make debt installment payments. These pledged revenues must first be used to pay the installments due. Amounts left over may be used for ongoing operations.

TOURIST DEVELOPMENT TAX BONDS	SALES TAX BONDS	UTILITIES SYSTEM BONDS AND LOANS	SPECIAL REVENUE DEBT
<ul style="list-style-type: none"> • Pledged Revenue Source: First five cents of the six cent Tourist Development Tax • Use of Borrowed Funds: Orange County Convention Center facility; Community Venues 	<ul style="list-style-type: none"> • Pledged Revenue Source: Sales Tax levied by the State and shared with the County • Use of Borrowed Funds: Jail and courthouse facilities; Old Courthouse conversion to historical museum; other County service facilities 	<ul style="list-style-type: none"> • Pledged Revenue Source: Customer charges for water and wastewater services • Use of Borrowed Funds: Water production and distribution system; wastewater collection and treatment system 	<ul style="list-style-type: none"> • Pledged Revenue Source: Public Service Tax, other County general operating revenues, and certain State revenues shared with the County • Use of borrowed funds: County service facilities; environmentally sensitive and park land acquisition; acquisition of machinery and equipment

Debt Per Capita as of September 30, 2018



Debt per capita includes all types of debt including bonds, loans, notes and capital leases.

County Demographics and Trend Indicators

Orange County has experienced dynamic changes over the years. Maintaining adequate public services to provide good quality of life is a key challenge faced by the County and other local governments. This trend information is presented to display a five-year view of changes in County government financial indicators and how they compare to key community demographic indicators. The following pages provide a compilation of these indicators in the general categories of property values and taxes, demographics, and sources and uses of County funds. Key information is displayed below for general overview purposes.

Summary of Key Trend Indicators

TREND CATEGORY	CURRENT VALUE	FIVE-YEAR CHANGE (\$)	FIVE-YEAR CHANGE (%)	AVERAGE CHANGE PER YEAR
Total Appraised Property Value	\$ 171.9 billion	\$61.0 billion	55.0%	11.0%
Total Taxable Property Value	\$119.4 billion	\$38.3 billion	47.2%	9.4%
Total Property Taxes Collected	\$830.8 million	\$243.1 million	41.4%	8.3%
County-wide Property Tax Levy	\$4.43 per \$1,000	\$0 per \$1,000	zero	zero
Unincorporated Property Tax Levy	\$4.05 per \$1,000	\$0 per \$1,000	zero	zero
Population	1,349,597	146,619	12.2%	2.4%
Labor Force	762,710	88,909	13.2%	2.6%
Consumer Price Index	252.4	18.3	7.8%	1.6%
Retail Sales	\$112.9 billion	\$34.9 billion	44.7%	8.9%
Gasoline Sales - Gallons	815.1 million	140.1 million	20.8%	4.2%
Arriving Air Visitors	23.5 million	6.1 million	35.1%	7.0%

Property Values and Property Taxes

FISCAL YEAR	APPRAISED VALUES	TAXABLE VALUES	TAXES COLLECTED	COUNTY-WIDE LEVY	UNINCORPORATED LEVY
2018	\$171.9 billion	\$119.4 billion	\$830.8 million	\$4.43 per \$1,000 value	\$4.05 per \$1,000 value
2017	\$158.8 billion	\$109.2 billion	\$760.9 million	\$4.43 per \$1,000 value	\$4.05 per \$1,000 value
2016	\$147.3 billion	\$100.3 billion	\$702.4 million	\$4.43 per \$1,000 value	\$4.05 per \$1,000 value
2015	\$126.1 billion	\$90.1 billion	\$646.7 million	\$4.43 per \$1,000 value	\$4.05 per \$1,000 value
2014	\$115.0 billion	\$84.1 billion	\$607.1 million	\$4.43 per \$1,000 value	\$4.05 per \$1,000 value
2013	\$110.9 billion	\$81.1 billion	\$587.7 million	\$4.43 per \$1,000 value	\$4.05 per \$1,000 value
5 year change	\$61.0 billion	\$38.3 billion	\$243.1 million	\$0 per \$1,000 value	\$0 per \$1,000 value
Average change per year	\$12.2 billion	\$7.7 billion	\$48.6 million	\$0 per \$1,000 value	\$0 per \$1,000 value
5 year percentage change	55.0 percent	47.2 percent	41.4 percent	zero percent	zero percent
Average change per year	11.0 percent	9.4 percent	8.3 percent	zero percent	zero percent

Notes:

- Taxes Collected include non-ad valorem based assessments.
- Unincorporated Levy represents property taxes collected in the unincorporated areas of Orange County in addition to the County-wide Levy. Proceeds are used to fund Fire Rescue and Sheriff's services.

Sources:

- Appraised and Taxable Values - Orange County Property Appraiser
- Taxes Collected - Orange County Tax Collector
- County-wide and Unincorporated Levies - Orange County Annual Budget Resolution

County Demographics and Trend Indicators

Revenue and Expenditures

Revenues for All Operational and Capital Outlays (millions)

FISCAL YEAR	TAXES	CHARGES FOR SERVICES	INTERGOVERNMENTAL	MISC	INTEREST INCOME	PROCEEDS FROM BORROWING
2018	\$1,171	\$683	\$347	\$87	\$23	\$19
2017	1,082	650	321	79	8	21
2016	1,010	601	307	77	14	118
2015	933	541	301	65	17	28
2014	869	510	281	61	6	13
2013	831	482	303	54	2	6

Expenditures for Operational Outlays (millions)

FISCAL YEAR	LAW ENFORCEMENT & JUDICIAL SYSTEM	COMMUNITY SERVICES	UTILITIES SYSTEM	TRANSPORTATION	FIRE RESCUE	CONVENTION CENTER & TOURISM	GENERAL GOVERNMENT	DEBT PAYMENTS
2018	\$478	\$353	\$220	\$176	\$196	\$167	\$167	\$122
2017	443	348	201	168	158	144	151	114
2016	431	313	220	158	136	194	149	114
2015	408	299	199	157	130	183	140	115
2014	389	281	184	146	138	153	125	114
2013	383	258	177	150	123	146	109	121

Expenditures for Capital Outlays (millions)

FISCAL YEAR	LAW ENFORCEMENT & JUDICIAL SYSTEM	COMMUNITY SERVICES	UTILITIES SYSTEM	TRANSPORTATION	FIRE RESCUE	CONVENTION CENTER & TOURISM	GENERAL GOVERNMENT
2018	\$16	\$17	\$111	\$40	\$12	\$28	\$9
2017	11	19	119	40	8	39	16
2016	21	12	114	48	9	37	10
2015	20	8	119	40	10	44	14
2014	17	6	89	54	8	43	15
2013	21	13	115	58	4	23	14

Source: Orange County Comptroller - Citizens Annual Financial Reports

County Demographics and Trend Indicators

Demographic Trends						
FISCAL YEAR	POPULATION	LABOR FORCE	CONSUMER PRICE INDEX	RETAIL SALES	GASOLINE SALES-GALLONS	ARRIVING AIR VISITORS
2018	1,349,597	762,710	252.4	\$112.9 billion	815.1 million	23.5 million
2017	1,313,880	746,245	246.8	\$103.8 billion	797.6 million	22.4 million
2016	1,280,387	719,046	241.4	\$95.4 billion	769.4 million	20.8 million
2015	1,252,396	693,456	237.9	\$91.5 billion	729.7 million	19.0 million
2014	1,227,995	684,703	238.0	\$84.9 billion	725.8 million	17.7 million
2013	1,202,978	673,801	234.1	\$78.0 billion	675.0 million	17.4 million
5 year change	146,619	88,909	18.3	\$34.9 billion	140.1 million	6.1 million
Average change per year	29,324	17,782	3.7	\$7.0 billion	28.0 million	1.2 million
5 year percentage change	12.2 percent	13.2 percent	7.8 percent	44.7 percent	20.8 percent	35.1 percent
Average change per year	2.4 percent	2.6 percent	1.6 percent	8.9 percent	4.2 percent	7.0 percent

Sources:

- Population - Florida Office of Economic and Demographic Research
- Labor Force - Florida Department of Economic Opportunity, with the US Department of Labor, Bureau of Labor Statistics
- Consumer Price Index - US Department of Labor, Bureau of Labor Statistics
- Retail and Gasoline Sales - Florida Department of Revenue, Office of Tax Research; Based on fiscal years ending June 30
- Arriving Air Visitors - Greater Orlando Aviation Authority

County Demographics and Trend Indicators

Principal Taxpayers Fiscal Year 2018

TAXPAYER	TYPE OF BUSINESS	TAXABLE ASSESSED VALUE	PERCENTAGE OF TOTAL TAXABLE ASSESSED VALUE
Walt Disney World	Tourism	\$9.4 billion	7.87%
Universal Studios	Tourism	2.4 billion	2.01%
Marriott Corporation	Tourism	1.8 billion	1.51%
Hilton Resorts	Tourism	1.3 billion	1.09%
Duke Energy/Progress Energy	Electric Utility	894 million	0.75%
Orange Lake Country Club	Tourism	876 million	0.73%
Hyatt Resorts	Tourism	717 million	0.60%
Wyndham Resorts	Tourism	639 million	0.54%
Westgate Resorts	Tourism	636 million	0.53%
Vistana Development	Tourism	625 million	0.52%

Principal Employers Fiscal Year 2018

EMPLOYER	EMPLOYEES	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT
Walt Disney World Co.	74,200	9.99%
Florida Hospital/Adventist Health System	28,959	3.90%
Universal Orlando Resort	25,000	3.37%
Orange County Public Schools	24,629	3.32%
Orlando Health	23,000	3.10%
Orange County Government	10,905	1.47%
University of Central Florida	9,476	1.28%
Lockheed Martin	9,000	1.21%
Resource Employment Solutions LLC	8,280	1.11%
Darden Restaurants, Inc.	6,137	0.83%

Notes:

- Assessed Value is reported based on the fiscal year in which associated tax revenue is recognized - e.g., the 2017 tax roll data is reported here for Fiscal Year 2018, as that is the period of collection and revenue recognition.
- Percentage of Total County Employment uses an Employed Labor Force figure of 742,672 for Orange County, as reported by the Florida Department of Economic Opportunity, Labor Market Statistics.

Sources:

- Assessed Value - Orange County Property Appraiser
- Employees - Orlando Business Journal: 2019 Book of Lists, Orange County Statistics

Contact Information

Board of County Commissioners

www.orangecountyfl.net

		Phone	Email
Jerry L. Demings	County Mayor	(407) 836-7370	Mayor@ocfl.net
Betsy VanderLey, Vice Mayor	District 1	(407) 836-7350	district1@ocfl.net
Christine Moore	District 2	(407) 836-7350	district2@ocfl.net
Mayra Uribe	District 3	(407) 836-5140	district3@ocfl.net
Maribel Gomez Cordero	District 4	(407) 836-7350	district4@ocfl.net
Emily Bonilla	District 5	(407) 836-7350	district5@ocfl.net
Victoria J. Siplin	District 6	(407) 836-5860	district6@ocfl.net

Elected Constitutional Officers

		Phone	Website
Tiffany Moore Russell	Clerk of the Circuit and County Courts	(407) 836-2000	www.myorangeclerk.com
Phil Diamond, CPA	Comptroller	(407) 836-5690	www.occompt.com
Rick Singh	Property Appraiser	(407) 836-5044	www.ocpaf.org
John W. Mina	Sheriff	(407) 254-7000	www.ocso.com
Bill Cowles	Supervisor of Elections	(407) 836-2070	www.ocfelections.com
Scott Randolph	Tax Collector	(407) 836-2705	www.octaxcol.com



The Office of the County Comptroller

The County Comptroller, an elected official answering directly to the citizens of Orange County, acts as watchdog for the public in the use of County resources.

This function serves as a check and balance, and results in the greatest accounting integrity and safeguarding of public assets. As a constitutional officer, the Comptroller operates independently of County Government.

Services performed by the County Comptroller can be classified into three broad categories: financial, audit, and records administration. The Comptroller's specific roles include serving as chief financial officer, treasurer, county auditor, clerk of the board, recorder, and custodian of County funds and records.

Chief Financial Officer, Treasurer & Auditor

To protect taxpayers, the Comptroller oversees County revenues and spending for their annual \$4.5 billion budget. The Comptroller records revenues and pre-audits payments on behalf of Orange County Government to ensure that taxpayer funds are being used lawfully. The Comptroller also holds and invests available Orange County funds with the goals of safety, liquidity and yield.

County Recorder

The Comptroller preserves and maintains the Orange County Official Records. Documents like deeds, mortgages, liens, judgments and notices of commencement are recorded and digitally indexed into an electronic system. Documents dating back to the 1840's are available at www.occompt.com. Residents can also sign up for Property Fraud Alert at the website.

Clerk of the Board of County Commissioners and Clerk to the Value Adjustment Board

The Comptroller prepares and maintains the minutes of the Orange County Commission and other government meetings for the public. The Comptroller also administers the Orange County Value Adjustment Board to allow property owners to contest their property assessments.

Government Watch: Orange County citizens and employees can report instances of fraud, waste, or abuse of County resources to the Government Watch hotline. Reports may be made anonymously by calling 311 or by accessing the OCFL 311 mobile app.

Work Activity Statistics for the 2018 Fiscal Year

Board Meeting Minutes

33

Official Records Recorded

743,300

Payroll Payments Issued

204,500

checks and deposits

Vendor and Other Payments Issued

105,200

checks and deposits

Procurement Card Payments Processed

50,200

Tagged Assets Inventoried

56,000

